

Summary of Benefits for 2003 and Major Changes Since 1998

This fact sheet provides general information on 2003 Medicare + Choice access and benefits compared to that provided in 2002. Additional information, including historical trends, is included in the attached charts.

- **Medicare + Choice Plan Access** - The Medicare + Choice program has leveled off over the past year, with participation of coordinated care plans declining. However, with the private fee-for-service (PFFS) plans offered by Sterling and newly offered by Humana in 2003, 79% of the Medicare population will have access to at least one Medicare + Choice plan.
 - In addition to M+C plans, about one-fourth of the Medicare population will have access to managed care products offered under the M+C alternative payment demonstration or the new preferred provider organization (PPO) demonstration project. These options provide access to Medicare private plans for an additional one percent of the Medicare population.
- In 2003, 16% of Medicare beneficiaries with access to Medicare + Choice will have access to 4 or more CCP plans, compared to 22% in 2002.
 - Including all options available to individual Medicare beneficiaries in addition to CCP plans, 25% of Medicare beneficiaries will have four or more options available to them in 2003.
- **Zero Premium Access** - In 2003, the Medicare population with access to a zero premium Medicare + Choice CCP decreased slightly compared to 2002.
- **Prescription Drug Coverage Access** – In 2003, 50% of the Medicare population will have access to an M+C CCP plan that includes prescription drug coverage—the same level as in 2002. However, an additional 10% of beneficiaries will have access to drug coverage through PPO plans (5.6%) or through the Humana PFFS plan (4.3%).
- **Prescription Drug Coverage in Basic Plans: Generic-Only vs. Brand Name Access** – In 2003, 58% of current M+C enrollees will have access to basic plans with generic and brand name coverage, while the remaining 42% will have generic-only access. In terms of the February 2003 enrollment distribution, 44% of enrollees with any drug coverage have coverage only for generic drugs.
- **Basic Premiums** – For 2003, the enrollment-weighted average basic premium has only increased by \$6 per month compared to last year.
 - Basic Premiums range from \$0 to over \$80 (with a maximum of \$170 per month for a basic premium as of February 2003).

- In February 2003, 38% of M+C CCP enrollees are in plans in which there is no premium for a basic plan. This is only a slight decline from October 2002, when 40% of enrollees were in such plans.
- **Cost Sharing** – For 2003, the enrollment-weighted average cost sharing for Medicare covered services in basic M+C CCP plans only increased by \$9 per month from 2002.
- **New Part B Premium Waiver Plans** – As a result of new legislation organizations are allowed to offer, as an additional benefit, a reduction in a member's Part B Medicare premium. For 2003, 5 organizations, 3 in Florida and 2 in New York, are offering reductions from \$20 to a full \$58.70 reduction. Four percent of the total Medicare population resides in an area where there is a premium waiver plan available.